

Service Date: June 5, 1980

DEPARTMENT OF PUBLIC SERVICE REGULATION  
MONTANA PUBLIC SERVICE COMMISSION

In the Matter of the Application by           ) Utility Division  
the City of Billings to adopt increased    ) DOCKET NO. 6773  
rates for water service.                    ) ORDER NO. 4657

\* \* \* \*

INTERIM RATE ORDER

APPEARANCES

FOR THE APPLICANT:

Calvin A. Calton, Utilities Counsel, City of Billings, 301  
South 24th Street West, Billings, Montana 59102.

FOR INTERVENORS

James C. Paine, Montana Consumer Counsel, 34 West Sixth  
Avenue, Helena, Montana 59601.

FOR THE COMMISSION:

Calvin Simshaw, Staff Attorney

BEFORE:

CLYDE JARVIS, Commissioner  
THOMAS J. SCHNEIDER, Commissioner  
GEORGE TURMAN, Commissioner

FINDINGS OF FACT

1. On December 24, 1979, the City of Billings (Applicant or  
City) filed an application with this Commission for authority  
to increase rates, on a permanent basis, for water service at  
Billings Montana and vicinity by 32 percent, resulting in an  
annual revenue increase of \$1,238,000.

2. Concurrent with the filing of the permanent application for increased rates, the City Filed an application for an interim increase in rates of 32 percent, equaling an annual revenue increase of \$1,238,000 or 100% of the proposed permanent increase.

3. On April 22, 1980 a public hearing was held in Billings, Montana to consider the merits of the Applicant's proposed permanent water rate adjustment and at the close of the hearing the City reaffirmed its request for interim rate relief of 32 percent.

4. The City alleges the proposed interim increase in rates is necessary to offset increased costs of operation and to provide revenues for recurring annual capital improvements.

5. Testimony received at the hearing and filings received subsequent thereto indicate that a revenue increase in an amount up to \$399,100 is uncontested by any of the parties in this matter.

6. The Commission finds that additional annual revenues in the amount of \$399,100, the amount conceded to by all intervenors, is reasonable for the purpose of granting interim rate relief to the city.

#### CONCLUSIONS OF LAW

1. The City of Billings is a public utility furnishing water service to consumers in the Billings area. As such it is subject to the supervision, regulation and control of this Commission pursuant to Section 69-3-102 MCA.

2. Section 69-3-304, MCA, provides in part, "The Commission may in its discretion, temporarily approve increases pending

a hearing or final decision.

3. The Commission concludes that the grant of an interim rate increase in the manner set forth herein is just, reasonable and within the discretion granted by Section 69-3-304, MCA.

4. If the Commission's final decision in this matter is to disapprove in whole or in part the increase granted herein, the Commission will order a rebate thereof to all consumers under Section 69-3-304, MCA.

#### ORDER

THEREFORE, THE MONTANA PUBLIC SERVICE COMMISSION ORDERS THAT:

1. The City of Billings is hereby granted authority to implement on an interim basis increased rates designed to generate an additional \$399,100 revenue on an annual basis for its water service.

2. The City of Billings is to file revised tariff schedules spreading the increased revenues as a flat percentage increase to each of the existing customer classifications.

3. The interim relief granted in this Order is to be effective for service rendered on and after June 2, 1980.

4. The increase granted herein is subject to rebate should the Commission grant a lesser amount in its final order in this docket.

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DONE IN OPEN SESSION this 2nd day of June, 1980, by a vote of  
3-0.

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CLYDE JARVIS, Commissioner

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THOMAS J. SCHNEIDER, Commissioner

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GEORGE TURMAN, Commissioner

ATTEST:

Madeline L. Cottrill

Secretary  
(SEAL)

NOTE:       An order of the Commission approving or denying a  
temporary rate increase is an intermediate agency  
action subject to judicial review under the Montana  
Administrative Procedures Act.